

U.S. Department of Energy



Strategic Plan

OFFICE OF INSPECTOR GENERAL

Fiscal Years 2000-2005

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INTRODUCTION

Consistent with the Government Performance and Results Act of 1993 (Results Act), the Office of Inspector General (OIG) has developed this Strategic Plan which describes the focus and direction of the OIG's operations over the next 6 years. The Strategic Plan documents the OIG's commitment to supporting the Department in the management of its complex and diverse array of missions and functions. It identifies the primary goals and objectives the OIG will strive to attain; strategies describing how the OIG plans to get there; and performance measures to evaluate its progress. The Plan also defines external factors that affect the OIG's ability to accomplish its goals and highlights the OIG's commitment to serving the needs of its customers.

The OIG's role of detecting and preventing fraud, waste, and abuse and fostering efficient management of public resources is more important than ever in today's environment. Recently enacted reorganization plans could significantly change the way the Department operates. The OIG will revise its strategic and operational plans as necessary to be responsive to Department organizational changes.

MISSION, VISION, RESPONSIBILITIES, AND FUNCTIONS

Mission and Vision Statements

Mission^{3/4}

The Office of Inspector General promotes the effective, efficient, and economical operation of the Department of Energy's programs and operations through audits, inspections, investigations, and other reviews.

Vision^{3/4}

We do quality work that facilitates positive change.

The OIG operates under the Inspector General Act of 1978, as amended, with the following responsibilities and functions:

Responsibilities

- Conduct reviews to prevent and detect fraud and abuse in Department programs and operations.
- Keep the Secretary and Congress informed, and recommend corrective action concerning fraud and other serious problems, abuses, and deficiencies relating to the administration of Department programs and operations.
- Receive and investigate complaints from employees regarding mismanagement, abuse of authority, danger to public health and safety, or violations of law, rules or regulations.
- Conduct, supervise and coordinate relationships between the Department and other Federal, state, and local agencies concerning the identification and prosecution of criminal and civil violations of law.

Major Functions

- OIG audits -- Audits are conducted to provide independent evaluation of the Department's programs and operations and include financial and financial-related, economy and efficiency, and program results audits.
- OIG investigations -- Investigations are conducted into alleged prohibited or improper activities against the Department by its contractors, vendors, grantees and employees. Cases focus on serious criminal violations, enforcement of civil fraud statutes, and other forms of misconduct.
- OIG inspections -- Inspections are conducted to review administrative allegations received by the OIG, evaluate Department management systems, and conduct non-criminal administrative reviews.

ORGANIZATION

The OIG is organized into four main operating components: the Offices of Audit Services, Investigations, Inspections, and Resource Management. The OIG focuses its resources on key issues of the Department as expressed in the Department's Strategic Plan, the Secretary's Performance Agreement with the President, and the Accountability Report. The OIG has offices located at key Department sites. These include: Washington, DC; Germantown, MD; Livermore, CA; Denver, CO; Idaho Falls, ID; Chicago, IL; Princeton, NJ; Albuquerque, NM; Los Alamos, NM; Las Vegas, NV; Cincinnati, OH; Pittsburgh, PA; Aiken, SC; Oak Ridge, TN; and Richland, WA.

Following are detailed descriptions of the responsibilities of these components:

The Office of Audit Services conducts and/or coordinates all audit activities for the Department's programs and operations, including those done under contract as well as those performed by Department employees. The audits performed fall into two broad categories: performance audits and financial audits. A performance audit provides an independent assessment of the performance of an organization, program, activity, or function in order to provide information to improve accountability and facilitate decision making by parties with responsibility to oversee or initiate corrective action. Performance audits include economy and efficiency and program results audits. Financial audits include financial statement and financial related audits. A financial statement audit provides reasonable assurance about whether the financial statements of an audited entity present fairly the financial position and results of operations in conformity with generally accepted accounting principles. Financial related audits may include audits designed to determine whether (1) financial information is presented in accordance with established or stated criteria, (2) the entity has adhered to specific financial compliance requirements, or (3) the entity's internal control structure over financial reporting and/or safeguarding assets is suitably designed and implemented to achieve the control objectives. In addition, a technology audit group has been established within the Office to audit information systems operations and acquisitions, and test the vulnerability of automated systems to unauthorized intrusions.

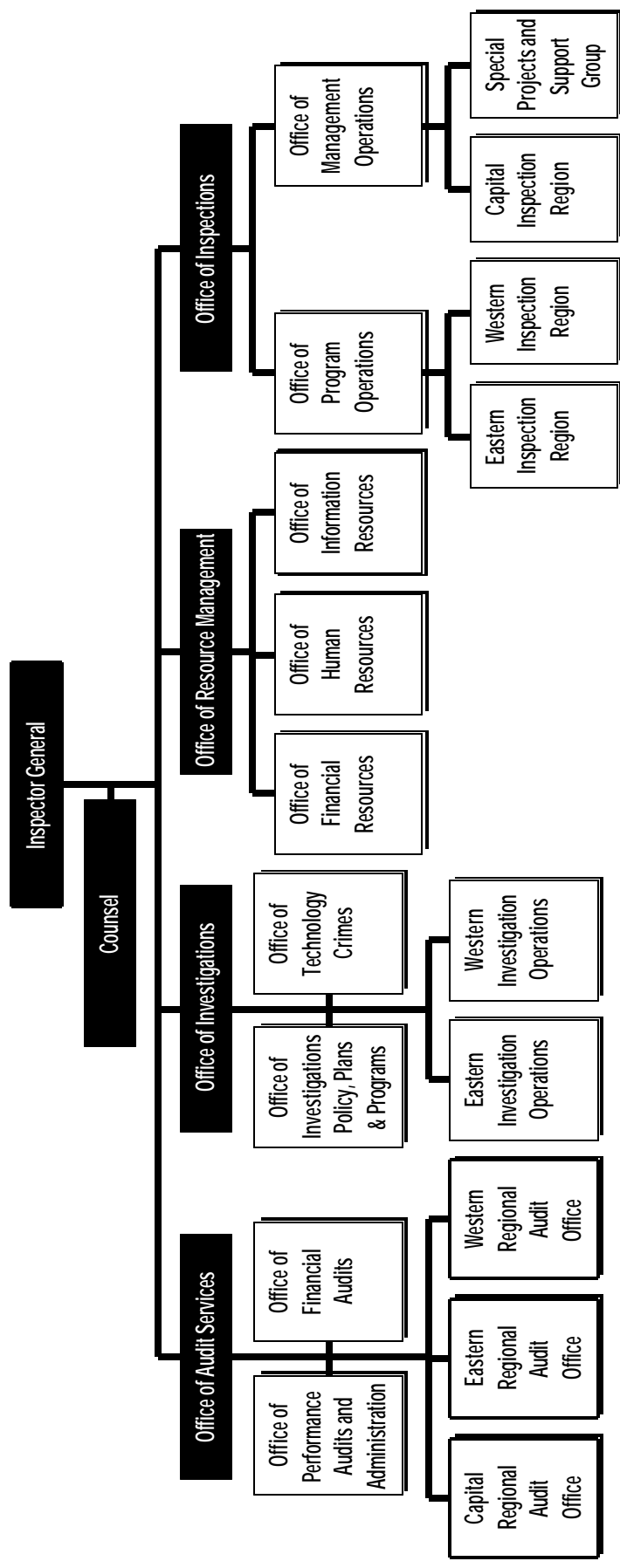
The Office of Investigations performs investigative duties relating to the promotion of economy and efficiency in the administration of, or the prevention or detection of fraud and abuse in, programs and operations of the Department. Priority is given to investigations of suspected violations of statutes with criminal or civil penalties. Focus is placed on procurement fraud; environmental, health and safety matters; computer crimes; and matters that reflect on the integrity and suitability of Department officials. Suspected criminal or civil violations are promptly reported to the Department of Justice for prosecutive consideration. In addition, a technology crimes unit has been established within the Office to investigate computer and technological crimes. The Office of Investigations also maintains the Inspector General Hotline.

The Office of Inspections performs reviews of administrative (i.e., noncriminal) allegations and of management issues. An allegation based inspection is a highly focused, fact-finding inspection that is typically in response to an allegation of waste, abuse or mismanagement and is generally performed using procedures similar to those used by the Office of Investigations. As such, this type of inspection is usually not planned, but is conducted when the OIG receives an allegation. A management issues inspection focuses on fact-finding and analysis regarding a specified management issue(s). The scope is usually tightly focused around a single issue or cluster of issues.

In addition, the Office performs all OIG intelligence oversight and reporting as required by Executive Order and statute, e.g. Executive Order 12863, "President's Foreign Intelligence Advisory Board," and Executive Order 12333, "United States Intelligence Activities." Also, the Office investigates whistleblower complaints in accordance with Section 6006 of the Federal Acquisition Streamlining Act and the Intelligence Community Whistleblower Protection Act. The Office also processes referrals of administrative allegations to Department management.

The Office of Resource Management directs the development, coordination, and execution of overall OIG management and administrative policy and planning. This responsibility includes directing the OIG's strategic planning process, financial management activities, personnel management programs, administrative support services, and information resources programs.

Office of Inspector General Organization Chart



RESOURCE REQUIREMENTS

The Results Act requires that strategic planning drive the budget process. Thus, a summary of the OIG's long-range resource requirements to support the mission, goal, and objectives described in this plan is outlined below.

The OIG has identified the following long-range resource requirements:

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
<u>Level A</u>					
Funding (000)	\$33,500	\$40,298	\$47,159	\$49,634	\$52,378
FTEs	265	308	350	350	350

<u>Level B</u>					
Funding (000)	\$33,500	\$36,430	\$38,983	\$41,660	\$44,789
FTEs	265	271	277	283	290

Level A reflects the resources the OIG needs if it is to adequately fulfill its mission. However, considering current and anticipated budgetary constraints, the more gradual increases reflected in Level B may be more achievable. In either case, the increased resources would allow the OIG to better respond to the increasing demands for its services. Following are examples of the increased workload facing the OIG.

In addition to the broad requirements in the IG Act, the Secretary and the Congress are demanding improvements in the Department's security, intelligence and counterintelligence programs. Also, there continues to be great interest in major Department activities, such as contract management, environmental clean-up, project management, and technology transfer. The OIG is attempting to focus available resources on these areas while trying to maximize coverage of all the Department operations, in addition to meeting all statutory obligations. Furthermore, Congress frequently considers proposals which would require the Department's OIG to assume additional responsibilities. Current proposals include investigating alleged reprisals for disclosure of classified information concerning a violation of law or instances of waste or abuse, and auditing the impact of technology transfers on the nuclear weapons capabilities of the People's Republic of China.

The Congress continues to increase funding for certain Department programs, such as defense programs, safeguards and security, and counterintelligence. Given the OIG's ongoing oversight mission of these and the other Department programs and the prospect of imposing additional mandatory responsibilities on the OIG, additional resources are necessary to ensure adequate OIG coverage of the Department's operations.

OIG resource requirements directly support the goal and objectives in this Strategic Plan. Specific program initiatives that the increased resources are needed to support include:

- Addressing the growing number of *Qui Tam* lawsuits (False Claims Act), which allow a private citizen to file a suit in the name of the U.S. Government for fraud by Government contractors and other entities. These cases have a potential recovery value in excess of \$100 million dollars. As of August 1999, the OIG was assisting the Department of Justice on 21 *Qui Tam* cases. This assistance is highly resource intensive. For example, two agents were assigned full-time for an 18-month period on one *Qui Tam* case.
- Increasing reviews of export control issues.
- Increasing audits of the Department's major facilities (including laboratories) and of management and operating contractors (\$13.2 billion in obligations in FY 1998) including accounting and cost distribution systems to assure that only reasonable and allowable costs are reimbursed by the Department.
- Increasing audits of the Department's environmental remediation efforts so that the Department may optimize the use of the \$6 billion it spends per year on environmental activities.
- Increasing reviews of procurement and grant programs and fraud in the Department, focusing on such areas as Work-for-Others, environmental and cleanup efforts, technology transfer, performance-based incentives, laboratory sampling, construction, and incentive programs established to reward contractors for exceeding contractual requirements regarding the quality and timeliness of their activities. As of August 1999, the OIG had 29 open investigations involving contract or grant fraud in excess of \$250,000 each, with a total estimated dollar loss/impact of close to \$196 million.
- Enhancing the audit and investigative technology units to address the increase in reported computer intrusions at the Department. Lawrence Livermore's Computer Incident Advisory Capability stated that reported unauthorized computer incidents at Department facilities rose nearly 700 percent in FY 1998. The Department has approximately 75 sites with computer systems highly vulnerable to these incidents.
- Increasing oversight of the Department's intelligence and counterintelligence activities in addition to the basic reporting requirements in Executive Order 12863, "President's Foreign Intelligence Advisory Board."
- Improving the OIG's ability to respond to Secretarial, Office of Management and Budget (OMB), and congressional requests for reviews which are unplanned by the OIG.
- Auditing Departmentwide ADP systems, focusing on eliminating redundant or unnecessary systems and on systems vulnerable to unauthorized intrusion.

- Increasing follow-up audits in significant Department problem areas such as property controls and in the administration of over \$8 billion in active grants and cooperative agreements.
- Increasing audit coverage of the Department's implementation of the Government Performance and Results Act to ensure that the Department improves its validation of contractor costs which total over \$13 billion per year. Currently, the Department does not have adequate systems to validate contract data.
- Developing environment, safety and health (ES&H) proactive investigative initiatives.
- Increasing reviews of the Department's safeguards and security program.

KEY EXTERNAL FACTORS

A number of key external factors affect the achievement of OIG goals and objectives. These factors have significant impact on assigning workload, formulating budgets, assessing organizational structure, evaluating procedures and establishing priorities. These factors are outlined in three separate categories and summarized below.

Resource Impacts

The OIG is particularly vulnerable to external factors such as reductions in funding or diversion of resources away from critical areas due to new legislatively mandated audit, investigative, or inspection requirements. Reduced funding in this revenue-positive organization results in lost benefits and opportunities to the Department and the public.

Additional Statutory and Regulatory Requirements

- Performing annual financial statement audits required by the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994.
- Reviewing the Department's implementation of the Government Performance and Results Act of 1993.
- Reviewing employee whistleblower reprisal complaints made pursuant to Section 6006 of the Federal Acquisition Streamlining Act of 1994 or the Intelligence Community Whistleblower Act of 1998.
- Auditing the operation of the value-engineering program in the Department required by OMB Circular 131.
- Reporting to the Intelligence Oversight Board as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board," at least quarterly and "as necessary or appropriate," and performing reviews to ensure the Department's intelligence activities are conducted in accordance with existing requirements as required by Executive Order 12333, "United States Intelligence Activities."
- Auditing of the Department's Working Capital Fund required by appropriations report language.

Unprogrammed Requirements

Many nondiscretionary taskings from external sources impact on OIG workload demands. Examples include:

- **Departmental Priority Requests.** Requests by the Secretary can be resource intensive and must be planned for. Recent examples include:
 - At the request of the Secretary, the OIG completed an expedited inquiry into allegations of delays in briefing various officials on espionage at a national laboratory. The OIG assigned 9 Special Agents full-time and dedicated in excess of 3,300 staff hours to the inquiry.
 - At the request of the Under Secretary and in fulfillment of a commitment made to the Congress, the OIG reviewed the status of the implementation of the Counterintelligence Implementation Plan, which was developed by the Department to address Presidential Decision Directive 61.
 - At the request of the Secretary, the OIG reviewed the facts and circumstances relating to the unauthorized release of an “Unclassified Controlled Nuclear Information” internal report outside the Department. The OIG assigned 7 inspectors to this intensive 6-week effort.
 - At the request of the Secretary, the OIG initiated an investigation into the circumstances surrounding access to information and clearance status of a Los Alamos National Laboratory employee. The OIG dedicated 18 Special agents, or nearly 50 percent of the field investigative staff, full-time to this expedited investigation.
- **Congressional Inquiries.** These requests are often unanticipated, require immediate attention, and consume significant resources. Recent examples include:
 - At the request of the Chairman, Senate Governmental Affairs Committee, the OIG conducted, as part of an interagency effort, a review of the Government’s export licensing review process for dual-use and munitions commodities. Over an 8-month period, the OIG assigned 10 employees to this effort. The Inspector General testified at two hearings before the Senate Governmental Affairs Committee on the results of this effort. The OIG is continuing to monitor the Department’s efforts in addressing issues raised in the export control report.
 - At the request of a Senator, the OIG examined whether certain senior level Department officials engaged in a systematic effort to undermine the validity of the Accelerator for the Production of Tritium option for tritium production.

- Based on several congressional requests, the OIG examined allegations that a national laboratory stole a previously patented radar technology to develop a similar technology and subsequently provided misleading information to the U.S. Patent Office and the Congress.
- Joint Reviews. The OIG also has responsibility for conducting joint investigations with other Federal agencies. It is expected that the number of these reviews will increase in future years.
- Congressional Hearings. The OIG must prepare testimony for periodic congressional hearings.
- Qui Tam Cases. The OIG assists the Justice Department in these highly resource-intensive cases.

Furthermore, the Congress is often contemplating additional work for the OIG that will negatively impact the performance of existing mandates without additional staff. Examples of legislation or legislative proposals would require the OIG to:

- Conduct an annual audit of Department policies and procedures with respect to the export of military sensitive technologies and information to countries of concern.
- Report on the adequacy of current counterintelligence measures protecting against the acquisition of military sensitive technology and information by countries or entities of concern.
- Examine the risks to U.S. national security of international scientific exchange programs involving the National Laboratories.

PLANNING FACTORS

Significant issues impacting OIG work are considered when developing and assigning workload, formulating budgets, assessing organizational structure, evaluating procedures and establishing priorities. Some of these issues are briefly discussed below to help managers keep them in perspective and give them appropriate attention during OIG planning cycles.

DOE Strategic Plan

While the OIG has its own Strategic Plan, the planning of OIG work supports the goals, objectives, and strategies outlined in the Department's Strategic Plan, which provides a framework, shared vision, and strategic goals for the Department's business lines, which are:

Energy Resources – Encourage efficiency and advance alternative and renewable energy technologies; increase energy choices for all consumers; ensure adequate supplies of clean, conventional energy; and reduce U.S. vulnerability to external events.

National Security – Effectively support and maintain a safe, secure, and reliable enduring stockpile without nuclear testing; safely dismantle and dispose of excess weapons; provide technical leadership for national and global nonproliferation and nuclear safety activities; and develop and support nuclear reactor plants for naval propulsion.

Environmental Quality – Reduce the environmental, safety, and health risks and threats from Department facilities and materials, safely and permanently dispose of civilian spent nuclear fuel and defense related radioactive waste, and develop the technologies and institutions required for solving domestic and global environmental problems.

Science – Use the unique resources of the Department's laboratories and the country's universities to maintain leadership in basic research and to advance scientific knowledge, focus applied research in support of the Department's other business lines, contribute to the Nation's science and mathematics education, and deliver relevant scientific and technical information.

The OIG supports the business lines as outlined in the Department's Strategic Plan by organizing and prioritizing workload to ensure that audits, inspections, and investigations help the Department to reach its visions and goals, pursue its strategies, and monitor its success indicators.

Performance Agreements

The Department began developing Annual Performance Agreements with the President in FY 1995 as one of the initiatives of the Vice President's National Partnership for Reinventing Government (NPR). These agreements are now a key component of the Department's management system and took the Results Act one step further. The performance agreement documents the Department's final annual performance commitments after the congressional budget appropriation process. It includes general objectives and commitments relating to the OIG. The performance agreement is updated and reissued each fiscal year. OIG managers should ensure that their planning considers the commitments made in the current performance agreement, and that findings and recommendations in OIG reports and referrals cite applicable performance agreement goals and commitments whenever appropriate.

Prioritization of OIG Workload

The OIG prioritizes work by scheduling its efforts in areas that have historically provided the OIG with opportunities to make significant contributions to Department programs and operations. This prioritization effort considers customers' expectations and determines which needs/expectations can be filled and which cannot be met with existing resources. For example, OIG priorities based on input from Department management, congressional customers, current laws, and the NPR are as follows:

- Financial Statement Audits and related efforts.
- Significant opportunities to enhance economy and efficiency.
- Allegations concerning matters that if proven true would result in significant recoveries or have other major consequences.
- Internal control reviews.
- Programmatic reviews.
- Administrative inquiries.
- Hotline allegations.

Workforce 21

In developing its financial and human resources, the OIG supports the Secretary's Workforce 21 Initiative. It is the OIG's goal to build a representative workforce while institutionalizing workforce management systems that promote equal employment opportunity at all levels within the OIG, especially for underrepresented groups.

MAJOR MANAGEMENT CHALLENGES AND PROGRAM RISKS

In the coming years, the OIG will focus its efforts on the major issue areas the OIG has identified as most susceptible to fraud, waste and abuse. These areas are consistent with concerns expressed in the General Accounting Office January 1999 publication "Major Management Challenges and Program Risks," the Department's FY 1998 Accountability Report (including Federal Managers' Financial Integrity Act (FMFIA) areas of vulnerability), and OMB, Secretarial, and congressional concerns. The OIG is continually reviewing and updating its list of major issue areas and will include any changes in the next Strategic Plan update.

- **Contract/Grant Administration.** Encompasses all of the Department's procurement, contract and grant activities. This includes contract and grant planning, solicitation, award, management, administration, and closeout, and the Department's oversight and management of its contractors.
- **Intelligence/Counterintelligence.** Includes intelligence activities by the Department conducted under Executive Order 12333.
- **Safeguards and Security.** Includes activities related to the protection of DOE facilities, nuclear weapons, nuclear materials, classified and sensitive information, and critical assets.
- **Program Management and Operations.** Includes the development, implementation, administration, and operation of programs mandated by statute or regulation.
- **Environment, Safety, and Health.** Includes all activities by DOE or DOE contractors which relate to the identification, testing, handling, labeling, cleanup, storage, and/or disposal of radioactive and hazardous waste, including all work relating to the civilian and defense radioactive waste repositories. It also includes activities which relate to nuclear safety and occupational and worker safety and health (e.g., nuclear safety standards).
- **Infrastructure.** Includes all DOE activities which involve the building, modernization and restoration of existing and new facilities and sites, including roads, utilities, and mission support structures.
- **Financial Management.** Focuses on the management controls, accounting systems, and other processes that ensure that DOE and its contractors exercise proper accountability over Government financial resources, including reviews of internal control systems and financial management systems.

- **Administrative Safeguards.** Includes matters involving administrative operations which are vulnerable to waste, abuse, and mismanagement such as telephone use, time cards, overtime claims, travel vouchers, etc. This also includes management or other irregularities such as conflict-of-interest, ethics violations, employee malfeasance, administrative misconduct, etc.
- **Information Technology Management.** Includes all activities relating to computer hardware, software, systems, networks, operations, security, and administration. It also includes technology transfer and theft of trade secrets issues.

GOAL, OBJECTIVES, AND STRATEGIES

This planning process shifts the focus of Federal management and oversight from staffing and activity levels to actual results achieved. The primary goal and objectives explain what results are expected and when to expect those results. Following are the OIG's general goal and objectives, to be supplemented by more specific performance goals and indicators in annual planning and evaluation phases of the planning process. The strategies describe ways in which the OIG plans to achieve its goal and objectives.

GOAL: Promote the efficient, effective, and economical operation of the Department of Energy.

Objectives:

- Make recommendations for positive change in Department programs and operations through the issuance of reports.
- Conduct audits required by the Chief Financial Officers Act and the Government Management Reform Act, and other required audits.
- Render an opinion on the Department's consolidated financial statements, system of internal controls, and compliance with laws and regulations.
- Focus performance reviews on those issues, programs and systems having the greatest potential impact on the protection or recovery of public resources. This specifically includes evaluating the Department's implementation of the Government Performance and Results Act.
- Conduct oversight of the Department's intelligence programs, as required by Executive Order.
- Conduct inspections of noncriminal allegations that enable the Department to hold employees and contractors accountable to the highest standards of honesty, objectivity, and integrity.
- Investigate allegations of violations of criminal and civil Federal law, as well as serious administrative misconduct, in order to facilitate successful prosecutions and administrative actions that maximize recovery of public resources and deter future wrongdoing.
- Maintain investigative inter-agency and intra-agency cooperative efforts to combat fraud, waste, and abuse.

- Conduct proactive investigations focusing on areas most vulnerable to fraud, waste, and abuse within the Department.

Strategies:

- Complete required financial statement audits by designated due dates in the law.
- Audit the “Statement of Costs Incurred and Claimed” to evaluate the reliability of the internal controls which contractors and the Department use to certify that only costs allowed under contract are claimed by contractors and reimbursed by the Department.
- Contract out the entire financial statement audit at a cost of \$4 million beginning in FY 2001. There is a growing trend within government to contract this effort out, particularly as the independent accounting firms become more experienced in performing these audits. The major benefit of this approach is that it would return staff years of OIG audit resources to performance auditing in high-risk locations. The OIG considers at least 23 Department locations – including all major contractor sites – to be high risk.
- Identify “best practices” and opportunities for organizational streamlining, cost savings, and other improvements in Department and contractor policies and practices, such as the increased use of automation.
- Conduct reviews to determine whether Department programs and operations are using their resources economically and effectively, and whether they have sufficient management controls in place to account for funds and other resources under their cognizance.
- Review the Department's performance of its programmatic responsibilities for the National Laboratories as they pursue basic and applied research and development programs.
- Audit Federal Energy Regulatory Commission programs and operations to identify opportunities for increased economy and efficiency, and for improved management controls.
- Refer noncriminal allegations of waste or wrongdoing to Department managers for their review and action whenever appropriate.
- Follow up on Department corrective actions resulting from OIG recommendations.
- Communicate with OIG customers before, during, and after OIG reviews to ensure mutual understanding of the purpose, scope, and objectives of OIG work and to convey the results of the review.

- Review performance measures that the Department uses to monitor its programs and operations, and the results of those performance measures.
- Evaluate Department progress in meeting commitments made in the current performance agreement between the Secretary and the President, and ensure that findings and recommendations in OIG reports and referrals cite applicable performance agreement goals and commitments whenever appropriate.
- Utilize various mechanisms, e.g., the annual planning process and complaint coordination committee meetings, to prioritize the use of OIG resources to help ensure reviews are focused on those issues, programs, and systems having the greatest potential impact on the protection or recovery of public resources.
- Survey Department senior managers quarterly regarding intelligence activities that they believe may be unlawful or contrary to Executive Order, Presidential Directive, or Department intelligence procedures and report results to the Intelligence Oversight Board.
- Conduct periodic inspections of field intelligence components.
- Meet periodically with the Intelligence Community IG Forum to foster interagency cooperation.
- Review significant noncriminal allegations of waste, wrongdoing, abuse, or mismanagement with the objective of remedying the immediate problem and identifying ways to improve applicable management controls.
- Conduct inquiries of certain types of alleged employee reprisals, and produce reports for appropriate officials.
- Focus priority investigative resources on violations most likely to be accepted for criminal prosecution or civil action.
- Ensure investigations are conducted in accordance with the Investigative Process and Performance Measurement System, which is characterized by specific milestones for completing the various critical stages of an investigation, and conduct internal reviews to ensure compliance with the established procedures.
- Prepare reports of investigation and provide briefings to Assistant U.S. Attorneys (AUSAs) on alleged violations, while ensuring adherence to the President's Council on Integrity and Efficiency Quality Standards for Investigations and ensuring that sufficient evidence is provided for AUSAs to make sound prosecutorial decisions.
- Appear and testify in criminal and civil court proceedings on behalf of Federal and state prosecutors.

- Maintain the investigative priority alert system to ensure OIG management is immediately advised of significant developments in high profile cases.
- Work with other Federal law enforcement agencies on task force/joint agency investigations.
- Establish substantive contacts and maintain productive working relationships with law enforcement officials at the Federal and state levels, Department management, U.S. Attorneys' offices, and other entities from the Department of Justice including the Criminal and Civil Divisions.
- Continue to centralize the coordination of *Qui Tam* cases, and work closely with the Department of Justice in the analysis and investigation of the growing number of *Qui Tam* cases.
- Prepare administrative reports to management that outline investigative findings and make recommendations to management for corrective actions and positive change.
- Inform appropriate Department managers when investigations are opened, ensuring that such customer coordination does not compromise the investigation.
- Maintain the OIG Hotline.
- Enhance operations of the Technology Audit Group and Technology Crimes Section, establishing, for example, forensic service capabilities.
- Continue work on developing grant fraud "indicators" and the process for applying those indicators to investigative work.

PROGRAM EVALUATION

The OIG will evaluate progress toward meeting its general goal and objectives, and performance goals and indicators, through annual performance reporting. Information will be collected from various sources to assess OIG achievements. Sources include automated tracking systems, feedback from customers, meetings, and surveys. To this end, the OIG has established the following procedures for tracking, evaluating, and reporting performance information.

- Performance against the goals and objectives will be tracked and analyzed, and discussed on a regular basis among senior OIG management.
- For the performance goals, results will be reported at the end of the second quarter and at the end of the fiscal year in the OIG Semiannual Report to Congress.
- Performance-based information for general goals and objectives will be incorporated into the OIG's budget justification for each fiscal year.
- Performance goals and performance indicators and the progress toward meeting these goals will be measured and presented in the OIG's consolidated Annual Program Performance Report and Annual Performance Plan. The report will be distributed for review to OMB and the Congress.

The information obtained from each year's evaluation will be analyzed and used to determine whether the OIG has achieved its annual performance goals, and is on track toward achieving its strategic level goals and objectives. Results will be reviewed to make decisions on whether external/internal factors have changed that warrant modification of OIG goals and objectives.

The Annual Performance Report may include significant trends and issues that will be used to evaluate OIG short- and long-term objectives. Any significant impediments to the planning, performance, or timely completion of OIG work will be addressed. These impediments might include significant staffing or funding constraints, or other external factors such as described previously on pages 10 through 12.

Strides will be made to consistently improve the OIG's information gathering techniques and obtain data that best measures the critical elements of OIG operations. Performance measurement will enable the OIG to illustrate and communicate that it is providing good value for its investment, and help identify where changes are needed to improve organizational effectiveness and efficiency.

CUSTOMER PARTICIPATION

The OIG maintains a fully integrated and collaborative planning process to ensure that projects it performs address issues that are important and useful to its customers, and fully support the Department's mission and goals. The OIG has three primary customers: (1) Department management, (2) Congress, and (3) prosecutors. The OIG considers complainants, employees, and taxpayers to be customers, as well. In scheduling and planning work, the OIG carefully considers the needs of its customers. Priority is given to fulfilling requests for services from the Secretary of Energy, other Senior Department officials, Congress, OMB, and other Government authorities. Each year the OIG provides Department managers the opportunity to formally and informally identify areas where they believe OIG activity would benefit the Department's missions and goals. The OIG also uses customer surveys, questionnaires, and one-on-one meetings to gather information on customer needs, perceptions, and expectations and ensures that "hands-on" or "frontline" employees as well as management actively participate in these efforts. Thus, the OIG planning process is open to suggestions on an interactive basis.

In the early stages of its annual planning process, the Office of Audit Services solicits audit suggestions from Department managers. Meetings with program managers are also convened to discuss audit suggestions and to obtain additional planning input. Senior staff prioritizes customer suggestions by evaluating their relationship to the business lines, the Department's Strategic Plan, and previous or ongoing work by the OIG. The OIG advises its customers about the disposition of their suggestions at the end of the planning process.

During the performance of audits and inspections, Department management officials are provided opportunities to express their views and expectations. An entrance conference is conducted with program managers to inform them about audit and inspection goals and objectives. Program managers are also provided the opportunity to comment on draft and final reports. OIG staff meets with the program managers to discuss their comments during exit conferences and responds to comments in final reports. A customer response form is included in every final public report issued, including the Semiannual Report to Congress, for customers to provide their perceptions and recommendations for improved service. A senior-level employee responds directly to each customer who provides formal or informal feedback.

The OIG will continue to seek feedback from Department managers, OMB, members of Congress, Federal and state prosecutors, and other customers as it continues to refine and improve its performance planning.